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U.S. CHARGES GAMBINO CAPTAIN AND SOLDIER
WITH EXTORTION, TAX FRAUD INVOLVING AN ADULT
ENTERTAINMENT CLUB IN MIDTOWN MANHATTAN

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, PASQUALE D'AMURO, the Assistant Director in Charge of the New York Office of the FBI, ELLIOT SPITZER, the New York State Attorney General, MICHAEL J. THOMAS, the Special Agent in Charge of the New York Field Office, IRS Criminal Investigation, and GORDON S. HEDDELL, the Inspector General of the United States Department of Labor, announced today the unsealing of a six-count Indictment in Manhattan federal court charging SALVATORE SCALA, a/k/a "Uncle Sal," a/k/a "Fat

Sal," a Captain in the Gambino Family, and THOMAS SASSANO, a/k/a "Monk," a Soldier in the Gambino Family, with extorting and conspiring to extort the owner and operators of the V.I.P. Club, an adult entertainment club located in Manhattan.

The Indictment charges that SCALA, a long-time Captain in the Gambino Family, oversaw a crew of Soldiers and associates of the Gambino Family. In his capacity as Captain, SCALA allegedly supervised and profited from the illegal activities of the Soldiers and associates in his crew. Specifically, since as early as 1996, SCALA allegedly profited from a wide variety of criminal activities, including extortions, illegal gambling, securities fraud, and loansharking. The Indictment specifically charges SCALA and SASSANO, a Gambino Family Soldier in SCALA's crew, with using their positions in the Gambino Family to extort large sums of money from the owner and operators of the V.I.P. Club from the mid-1990s through 2002. The Indictment also seeks the forfeiture of \$2.5 million of criminal proceeds from SCALA and SASSANO related to the extortion of the V.I.P. Club.

In addition to the extortion, the Indictment charges SCALA with four counts of tax evasion. The Indictment alleges that from 1998 to 2001, SCALA, while receiving large sums of money from a variety of different sources, including the extortion of the V.I.P. Club, willfully evaded paying taxes on any of the income. In fact, the Indictment alleges that SCALA did not file a single federal income tax return during those

years, even though bank accounts maintained by SCALA revealed hundreds of thousands of dollars in cash deposits.

If convicted of the charges in the Indictment unsealed today, SCALA faces 60 years in prison and SASSANO faces 40 years in prison. Both defendants are charged with conspiracy to commit extortion and with extortion, each of which carries a maximum statutory penalty of 20 years in prison. In addition, SCALA is charged with four counts of tax evasion, each of which calls for a maximum penalty of 5 years in prison.

SASSANO, 59, lives in Westbury, Long Island, New York.

SCALA, 62, lived in Brooklyn before his incarceration, according to court records.

SASSANO was arrested today in connection with the charges in the Indictment. SCALA is currently serving a sentence from a prior criminal conviction and, accordingly, will be brought by the United States Marshal's Service to this District to face the charges in the Indictment.

Mr. KELLEY praised the efforts of the FBI, the New York State Organized Crime Task Force, the Internal Revenue Service, Criminal Investigation, and the Department of Labor in this investigation and said that the investigation is continuing.

Assistant United States Attorney JOON H. KIM is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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